

# CHARGE Conference Call

October 28, 2010 – 9:30 a.m.

Call-in number: 1-866-618-6746 and Access Code: 6060145

## Topics for Discussion

### 1. EGS Marketing Activities

- PUC issued tentative order for comment on July 16, 2010, which is available at the following link: <http://www.puc.state.pa.us/general/ConsolidatedCaseView.aspx?Docket=M-2010-2185981>
- Comments were due on August 16, and reply comments are due on August 31
- Staff has submitted draft final order for November 4 Public Meeting
- Staff plans to hold a session on November 18 immediately following the CHARGE call scheduled for 1:30 p.m. in Harrisburg which all CHARGE participants are welcome to attend, and EGSs (as well as NGSs) marketing to residential customers will be strongly encouraged to attend; meeting will include:
  - Overview of marketing guidelines
  - Description of marketing practices to avoid, through use of examples received in customer call center
  - Summary of other applicable PUC requirements

### 2. Supplier Consolidated Billing Implementation

- EDEWG document summarizing issues that need to be addressed for full implementation of supplier consolidated billing was circulated on August 25, which are attached to the agenda
- Blue Star provided responses based on Illinois experience which were distributed on October 25, which are attached to the agenda
- Discussion of timeline and process for moving forward, which will ultimately lead to submission of staff recommendation to the PUC
- Currently PPL has an interim structure in place allowing Blue Star to implement SCB

### **3. Eligible Customer List**

- PUC issued tentative order for comment on July 15, 2010, which is available at the following link: <http://www.puc.state.pa.us/general/ConsolidatedCaseView.aspx?Docket=M-2010-2183412>
- Comments were due on August 4; no reply comments were permitted
- Draft final order submitted for October 14 Public Meeting; currently scheduled for consideration at November 4 Public Meeting

### **4. Default Service Bid Information**

- Secretarial Letter issued on October 12, 2010; it is attached to the agenda
- Please note that the link in the Secretarial Letter to First Energy's default service information has been replaced due to the information being updated; please use the link below and click on "Model for Calculating Default Service Rates"  
[http://www.firstenergycorp.com/supplierservices/Pennsylvania/Met-Ed\\_and\\_Penelec/Met-Ed\\_and\\_Penelec\\_Default\\_Service\\_Information.html](http://www.firstenergycorp.com/supplierservices/Pennsylvania/Met-Ed_and_Penelec/Met-Ed_and_Penelec_Default_Service_Information.html)

### **5. Estimated State Tax Amount on Bills (Placeholder)**

- Question has arisen about whether the presentation of "estimated total state taxes" on residential bills is required for generation charges of EGS as there is no standard treatment among EGSs
- Staff has determined that EDC tax components are Capital Stock, Property Tax-Local and PURTA, State Unemployment Compensation, PA State Income Tax, and Gross Receipts Tax.
- Staff is conducting further review of statute and regulations to offer guidance to EGSs on this issue; interested in feedback from group on value of having information on bills about taxes (other than GRT) paid by EGSs

### **6. Last-In Enrollments (Placeholder)**

- Spreadsheet was previously circulated to show how EDCs handle multiple enrollments for the same customer before the 16-day cut-off date
- Group has generally discussed value of standardizing enrollment process going forward; benefits of standardization were identified; and issue will remain on the list for further discussion

## **7. Mixed Meter – EGS Authority**

- Questions have been raised about whether EGSs must have authority to serve residential customers when a residential customer is served as part of a mixed meter situation
- Staff update on status of resolving issue

## **8. Contract Expiration/Renewal Notices**

- Renewal notice regulations at 52 Pa. Code 54.5(g) have been superseded by subsequent guidelines issued in 2001, which are attached and posted on the OCMO's webpage at [http://www.puc.state.pa.us/electric/electric\\_CompetitiveMarketOversight.aspx](http://www.puc.state.pa.us/electric/electric_CompetitiveMarketOversight.aspx)
  - Staff is offering to informally review proposed renewal notices; please send them to [ra-OCMO@state.pa.us](mailto:ra-OCMO@state.pa.us) at least 10 days prior to issuance to consumers
  - Any questions about these issues may be sent directly to Dan Mumford in BCS at [dmumford@state.pa.us](mailto:dmumford@state.pa.us) or by calling Dan at 717-783-1957
- PUC issued final order on 9/23/10 which may be accessed below, addressing the issues of how to handle the situation where the price to compare is not yet known when renewal notices must be sent and what happens to a customer's contract if the customer does not respond to the renewal notice  
  
<http://www.puc.state.pa.us/general/ConsolidatedCaseView.aspx?Docket=M-2010-2195286>

## **9. Estimated and Actual Prices to Compare**

- Availability of estimated and actual prices to compare for inclusion in EGS renewal notices and EDC mailings to consumers
  - PPL expects to have an estimated PTC (based on roughly 95% of the auction results) available by the end of October for the first 5 months of 2011; an actual PTC will be available in mid-December for the first 5 months of 2011
  - PECO expects to have an actual PTC for the first quarter of 2011 and an estimated PTC for the second quarter of 2011 by October 14
  - FirstEnergy expects to have an actual starting PTC for 2011 available by the end of October
  - Duquesne was not on the last call but staff believes that an actual PTC for residential customers is already known for 2011; update
  - Allegheny was not on the last call; update

- Some EGSs on the last call noted that they will be sending renewal notices to PPL customers in mid-October due to contracts expiring on December 1, prior to PPL making the estimated PTC (based on roughly 95% of the auction results) available in late October
  - Staff suggested that PPL should immediately provide estimated PTC (based on roughly 80% of the auction results) so that EGSs needing to send renewal notices in October will have this information to include in notices
  - Alternatively, Staff suggested that the affected EGSs wait until approximately 30 days prior to expiration of the contracts to send renewal notices to customers whose contracts are expiring on December 1 so they will have the estimated PTC based on roughly 95% of the auction results to include in notices
  - Any need for further discussion?

**10. Amount of Gross Receipts Tax Rate in 2011 Price to Compare**

- Question has been raised as to the correct GRT rate that should be included in the 2011 PTC
- New GRT rate is 6.08% (an increase from 5.9%)
- Discussion of the need to incorporate new GRT rate

**11. Displaying Prices on PAPowerSwitch**

- Suggestion has been made for consistency in the way pricing is displayed on PAPowerSwitch
- Major concern is that in some instances, an introductory price rather than an average price is being displayed
- Should EGSs display average monthly use and price on PAPowerSwitch, similar to the way that averages are shown on marketing materials? See 52 Pa.Code §54.7(b), which states that in marketing materials using a fixed price, “the EGS shall show in a table the price per kWh for an average customer using 500, 1,000 or 2,000 kWh of electricity.”

**12. Budget Billing for Variable-Priced Products (Placeholder)**

- Group has discussed whether it is appropriate or necessary to require EGSs to offer budget billing option to customers in connection with variable-priced products
- Staff appreciates the feedback and will consider it in providing a recommendation to the PUC

**13. CHARGE Contact List**

- Contact list is on website at the following link:

[http://www.puc.state.pa.us/electric/electric\\_CompetitiveMarketOversight.aspx](http://www.puc.state.pa.us/electric/electric_CompetitiveMarketOversight.aspx)

- Please send contact information or updates to [ra-ocmo@state.pa.us](mailto:ra-ocmo@state.pa.us); purpose of this list is to enable stakeholders to contact one another directly to resolve issues and is separate from email distribution list

**14. Meeting Schedule for Remainder of 2010**

- *November 18, 1:30 p.m. – Conference Call, Followed by Special In-Person Meeting to Discuss Marketing Guidelines/Consumer Protections*
- December 9, 9:30 a.m.
- December 23, 9:30 a.m.
- January 6, 2011, 9:30 a.m.
- January 20, 2011, 9:30 a.m.
- February 3, 2011, 9:30 a.m.
- February 17, 2011; 9:30 a.m.
- March 3, 2011; 9:30 a.m.
- March 17, 2011, 9:30 a.m.
- March 31, 2011, 9:30 a.m.